

PRESS RELEASE

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Italy: EIB supports Edison's investments in sustainability

- **First Green Framework Loan in Italy: €300 million for energy efficiency and renewables projects**
- **€150 million loan for upgrade of state-of-the-art combined-cycle power plant in Marghera (Venice)**
- **The loans contribute to Edison Group's decarbonisation plan, which aims to ensure the security and stability of the country's power system, in keeping with the transitional phase of the EU bank's new energy lending policy**

The bank of the European Union is supporting Edison's green investment plan with new funding of €450 million. The European Investment Bank (EIB) has signed two separate financing operations with the Italian energy group: a Green Framework Loan worth €300 million in support of energy efficiency and renewables projects throughout the country and a €150 million loan for upgrading of a state-of-the-art combined-cycle gas turbine plant in Marghera (Venice).

For the EIB, these operations are in line with the transitional phase of the new Energy Lending Policy (ELP) approved last November, which aims to promote investments combating climate change. The investments supported by the EIB form part of the consolidation strategy of Edison as a responsible operator, whose sustainable business model is aligned with the goals of the National Energy and Climate Plan. Edison aims to substantially reduce its specific CO₂ emissions, and double the share of electricity generated by renewable sources from 20% to 40% by 2030. Meanwhile, investment in the combined-cycle power plant in Marghera, which is more efficient and less polluting, ensures stability and security of supply to the national power grid.

The **Green Framework Loan** is the first operation of its kind in Italy financed by the EIB. This is an aggregate credit line of €300 million, which Edison will use over the next four years for a portfolio of projects across the country in the energy efficiency sector and for the construction of small and medium-sized renewables facilities. The portfolio list includes projects involving the energy upgrading of buildings, in accordance with the Italian government's recently introduced tax regulations contained in the so-called "Development Decree". The term of the loan is 15 years.

For the **Marghera Levante** facility, the EIB has granted Edison a loan to construct a new state-of-the-art combined-cycle gas turbine plant to replace the old thermoelectric power plant, which is being decommissioned. The Marghera Levante facility will have a total capacity of 780 MW, an energy efficiency rate of 63%, specific carbon dioxide (CO₂) emissions 40% below the national thermoelectric power portfolio average, and over 70% less nitrogen oxide (NO_x) emissions.

The Marghera facility, one of the latest sustainable projects when the ELP was adopted, contributes substantially to security of supply, i.e. to countering systemic imbalances generated by the production of electricity by renewable sources, significantly reducing the environmental impact caused by the plant previously in operation. As regards the financial aspects of the operation, the €150 million loan will have a term of 15 years and will be disbursed in a minimum of four *tranches*, mostly at very competitive fixed rates.

Overall, financially speaking the new EIB funding will support Edison's investment efforts thanks to the favourable interest rates of the EIB loans. The EU bank, a non-profit organisation, raises funds on the international markets via the issuance of AAA-rated bonds and passes on the favourable interest rate and maturity terms to the loan beneficiaries.

"Combating climate change is the key challenge facing the world in the coming years. These two Edison operations are addressing this issue which is, along with the COVID crisis, one of the core pillars of the EIB's activity: a few months ago we launched our new financing policy in this field and we are now fully up and running with two loans in Italy which, in terms of the total amounts provided, are among the biggest to date in the whole of Europe", said EIB Vice-President **Dario Scannapieco**.

*“This EIB financing provides important recognition for which we feel deeply honoured - said Edison CEO **Nicola Monti** -. We are a leading energy transition operator in Italy and this agreement provides confirmation of the validity of our investment plan – focusing on renewables, energy efficiency and gas as a transitional source of energy – and the relevance of these investments in supporting the sustainable development of our country.”*

Note to editors

The **European Investment Bank (EIB)** is the long-term financing institution of the European Union. Its shareholders are the EU Member States. The EIB's remit is to contribute to the achievement of the EU's policy objectives by providing long-term finance for viable projects.

EDISON

Sustainability and renewables are in the DNA of Edison, which for more than 135 years has fostered development and progress in Italy with its energy. In 1898 it constructed the country's first hydroelectric power plant and today, as then, it continues to grow in order to build together a future involving sustainable energy. For Edison, developing renewables means first and foremost focusing on wind, photovoltaic and hydroelectric power. Edison's electricity generation facilities include highly efficient combined-cycle gas turbine (CCGT) plants, hydroelectric power plants, wind farms and photovoltaic plants. With an installed capacity of 6.5 GW, in 2019 Edison produced 20.6 TWh of electric power covering 8% of national production. The current electricity generation facilities comprise more than 200 plants, including 93 hydroelectric power plants (31 mini hydros), 14 thermoelectric power plants, 46 wind farms and 64 photovoltaic plants. The Group has a total renewable installed capacity, including the hydroelectric segment, of more than 2 000 MW.

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